

### 3. How to Write

The grantor of a trust may also be eligible for the primary residence status if the trust documents support that the grantor is a beneficiary of the trust with the right to live in the home. The grantor must submit both the trust documents and the primary residence documentation outlined above. The insurer must obtain documentation that the grantor is a beneficiary of the trust named as the policyholder, with the right to live in the home as a benefit.

#### D. Coverage and Deductibles

##### 1. Maximum Coverage Limits

**Table 22** and **Table 23** show the maximum amounts of building and contents coverage available for each Building Occupancy, under the Regular Program and the Emergency Program respectively. Policies may carry building coverage not to exceed the lesser of:

- The building's replacement cost value; or
- The maximum amount of coverage established by statute and regulation for each Building Occupancy as shown in Tables 22 and 23.<sup>9</sup>

See the Building Occupancy heading above for guidance on which Building Occupancy to select for a given building.

**Table 22. Maximum Coverage Limits in the Regular Program**

Building Occupancy	Building Coverage	Contents Coverage
<b>Single-Family Dwelling</b>		
<b>Single-Family Home</b>	\$250,000	\$100,000
<b>Residential Manufactured/Mobile Home</b>	\$250,000	\$100,000
<b>Residential Unit<sup>10</sup></b>		
<b>Residential Condominium Unit (in Residential Building)</b>	\$250,000	\$100,000
<b>All Other Building Descriptions</b>	None	\$100,000
<b>Multifamily Building</b>		
<b>Two-to-Four Family Building</b>	\$250,000	\$100,000
<b>Other Residential Building</b>	\$500,000	\$100,000
<b>Residential Condominium Building</b>		
<b>Residential Condominium Building<sup>11</sup></b>	Not to exceed the lesser of: <ul style="list-style-type: none"> <li>• The building's replacement cost value; or</li> <li>• Total number of units × \$250,000.</li> </ul>	\$100,000

9. 42 U.S.C. § 4013(b); 44 C.F.R. § 61.6

10. For a Residential Unit, building coverage is only available if it is a residential condominium unit in a residential building. A Dwelling Form policy on a Residential Unit in a cooperative or apartment building cannot provide building coverage, only contents coverage. Likewise, a Dwelling Form policy for a Residential Unit in a non-residential condominium building can only provide contents coverage.

11. Residential Condominium Building insured under the RCBAP Form. If a residential condominium building is ineligible for the Residential Condominium Building occupancy and RCBAP Form, see the Condominium Rating Information heading in this section (Scenario #1) for information on what building occupancy to select. The building occupancy determines the applicable maximum coverage limits.

**Table 22. Maximum Coverage Limits in the Regular Program** *continued*

Building Occupancy	Building Coverage	Contents Coverage
<b>Non-Residential</b>		
<b>Non-Residential Building</b>	\$500,000	\$500,000
<b>Non-Residential Manufactured/ Mobile Building</b>	\$500,000	\$500,000
<b>Non-Residential Unit</b>	None	\$500,000

**Table 23. Maximum Coverage Limits in the Emergency Program**<sup>12</sup>

Building Occupancy	Building Coverage	Contents Coverage
<b>Single-Family Dwelling</b>		
<b>Single-Family Home</b>	\$35,000 <sup>13</sup>	\$10,000
<b>Residential Manufactured/Mobile Home</b>	\$35,000 <sup>13</sup>	\$10,000
<b>Residential Unit</b> <sup>14</sup>		
<b>Residential Condominium Unit (in Residential Building)</b>	\$35,000 <sup>13</sup>	\$10,000
<b>All Other Building Descriptions</b>	None	\$10,000
<b>Multifamily Building</b>		
<b>Two-to-Four Family Building</b>	\$35,000 <sup>13</sup>	\$10,000
<b>Other Residential Building</b>	\$100,000 <sup>15</sup>	\$10,000
<b>Non-Residential</b>		
<b>Non-Residential Building</b>	\$100,000 <sup>15</sup>	\$100,000
<b>Non-Residential Manufactured/ Mobile Building</b>	\$100,000 <sup>15</sup>	\$100,000
<b>Non-Residential Unit</b>	None	\$100,000

## 2. Increased Cost of Compliance (ICC) Coverage

ICC coverage is flood insurance for expenses a policyholder incurs, above and beyond physical damage sustained from a flooding event, to repair or rebuild a flood-damaged building in compliance with state or local floodplain management ordinances or laws. ICC coverage pays up to \$30,000, subject to eligibility, toward the cost of acceptable mitigation measures. Compliance activities eligible for payment are elevation, floodproofing, relocation, demolition, or any combination of

12. If a residential condominium building is located in an Emergency Program community and thus ineligible for the Residential Condominium Building occupancy and RCBP Form, see the Condominium Rating Information heading in this section (Scenario #1) for information on what building occupancy to select. The building occupancy determines the applicable maximum coverage limits.
13. In Alaska, Guam, Hawaii, and the U.S. Virgin Islands, the amount available is \$50,000.
14. For a Residential Unit, building coverage is only available if it is a residential condominium unit in a residential building. A Dwelling Form policy on a Residential Unit in a cooperative or apartment building cannot provide building coverage, only contents coverage. Likewise, a Dwelling Form policy for a Residential Unit in a non-residential condominium building can only provide contents coverage.
15. In Alaska, Guam, Hawaii, and the U.S. Virgin Islands, the amount available is \$150,000.

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these activities. Eligible floodproofing activities apply only to non-residential buildings and residential buildings with basements that satisfy FEMA standards (see the Floodproofing heading in this section).<sup>16</sup>

ICC coverage is not available for:

- Dwelling Form policies on individual condominium units including townhouse or rowhouse condominiums (The condominium association is responsible for complying with mitigation requirements);
- Emergency Program policies;
- Contents-only policies;
- GFIPs; or
- Detached garages, unless insured by a separate policy.

ICC coverage is in addition to the amount of building coverage purchased, and the two combined totals cannot exceed the statutory maximum limits for building coverage. FEMA's system calculates the ICC premium as 1.9 percent of the policy's building and contents coverage premiums (inclusive of any mitigation discounts or CRS discount), not to exceed a maximum of \$75 (there is no minimum).

Please see Appendix A: Policy for additional information on ICC coverage.

#### 3. Deductibles

Select building and contents coverage deductibles from the options in the charts below. The minimum deductible for building coverage varies based on the building occupancy, Pre-FIRM or Post-FIRM construction, receipt of statutory discounts, and the amount of building coverage purchased.<sup>17</sup> In most cases, a higher deductible may reduce the premium. Contents-only policies (policies with no building coverage) receive a minimum \$1,000 deductible.

Policyholders can select any combination of building and contents deductibles for Single-Family Home, Residential Manufactured/Mobile Home, Residential Unit, and Two-to-Four Family Building occupancies. For all other building occupancies, the NFIP offers building and contents deductible options in fixed combinations.

#### Notes:

- If the building's value is less than the minimum deductible available, then the amount of any building loss will be less than the minimum deductible.
- If a building under construction, alteration, or repair does not have at least two rigid exterior walls and a fully secured roof at the time of loss, then the deductible amount will be two times the deductible that would otherwise apply to a completed building.
- Policies in the Emergency Program have the same deductible options as shown under the Exception: Pre-FIRM Receiving Any Statutory Discount columns in **Tables 24–26**.

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16. 44 C.F.R. § 60.6

17. 42 U.S.C. 4013(d); 42 U.S.C. 4019(b); 44 C.F.R. § 61.5

**Table 24. Deductible Options: Single-Family Home, Residential Manufactured/  
Mobile Home, Residential Unit, Two-to-Four Family Building**

Standard Building Options		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount		Contents Options
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Contents Coverage of Any Amount
\$1,000	\$1,250	\$1,500	N/A	\$1,000
\$2,000	\$2,000	\$2,000	\$2,000	\$2,000
\$5,000	\$5,000	\$5,000	\$5,000	\$5,000
\$10,000	\$10,000	\$10,000	\$10,000	\$10,000

**Note:** For more information on statutory discounts see the Statutory Discounts heading below.

**Table 25. Deductible Options: Other Residential Building, Non-Residential Building,  
Non-Residential Manufactured/Mobile Building, Non-Residential Unit**

Standard Building Options <sup>18</sup>		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount <sup>18</sup>		Contents Options
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Contents-Only Coverage
\$1,000 / \$1,000	\$1,250 / \$1,250	\$1,500 / \$1,500	N/A	\$1,000
\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000
\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000
\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000
\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000
\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000 / \$50,000	\$50,000

**Table 26. Deductible Options: Residential Condominium Building**

Standard Building Options <sup>18</sup>		Exception Building Options: Pre-FIRM Building Receiving Any Statutory Discount <sup>18</sup>	
Building Coverage of \$100,000 or less	Building Coverage over \$100,000	Building Coverage of \$100,000 or less	Building Coverage over \$100,000
\$1,000 / \$1,000	\$1,250 / \$1,250	\$1,500 / \$1,500	N/A
\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000	\$2,000 / \$2,000
\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000	\$5,000 / \$5,000
\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000	\$10,000 / \$10,000
\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000	\$25,000 / \$25,000

18. Shown as: Building Deductible/Contents Deductible options in fixed combinations. Building-only policies have the same deductible options as shown for building coverages in the table above.